

Performance and Finance Select Committee

22 November 2018

One Public Estate West Sussex - Update

Report by Executive Director Economy, Infrastructure and Environment

Summary

The One Public Estate programme is an established national programme being delivered in partnership by the Local Government Association (LGA) and the Office of Government Property (OGP) within the Cabinet Office. One Public Estate began in 2013 with just twelve areas, but now involves more than 300 councils on projects aiming to transform local communities and public services right across the country.

West Sussex County Council is currently working with 23 partner organisations across the county. This report provides the Committee with an update of the work and progress on the One Public Estate Programme. This includes updates for the individual projects being progressed through the Programme.

The focus for scrutiny

The focus for the Committee is to review the progress being made on the programme and make any comments and recommendations to the Cabinet Member for consideration when taking the projects forward.

1. Background and Context

- 1.1 The One Public Estate West Sussex Programme (OPE) has continued to develop, with 23 partner organisations now engaged across the County. The programme was awarded a further £140k in revenue funding in March 2018 to support two projects in Littlehampton (£80k) and the expansion of the existing Crawley Town Centre regeneration programme (£60k). This brings the total amount of revenue support grant awarded to the OPE West Sussex Programme to £640k since January 2017, supporting a total of eight projects. Every project included in a bid to the OPE Unit in Cabinet Office is now in receipt of Government funding support – the West Sussex programme is the only Partnership to have achieved this. We are developing a further bid under Phase 7 of OPE, for submission in late November. The outcome of this bid is expected to be known in February 2019.
- 1.2 This is a complex and challenging programme. Individual projects are largely progressing to programme, and work continues as projects develop to quantify the costs and the anticipated beneficial outcomes the programme will deliver. These need to include capital receipts from disposal of surplus assets, new housing, new employment space and jobs, revenue savings through rationalisation of assets and increased co-location of services, and

income generation. Tangible outcomes are measured both for individual partners and collectively to meet the targets set out in the Partnership’s bid submissions. Less tangible outcomes, such as improved service delivery as a result of closer working among partner organisations, will also be captured. It is anticipated at present that the scale of outcomes that will be achieved may be higher than those originally forecast, due to additional opportunities emerging as projects develop.

- 1.3 The OPE West Sussex Programme is closely aligned both to the Growth Programme and the Growth Deals that have been developed by West Sussex County Council and its partner districts, and with the Blue-light sector’s statutory Duty to Collaborate and the new Fire and Rescue Service Inspection regime. A number of projects also contribute to the Community Hubs programme. The OPE programme will contribute to meeting all five of the core priorities in the West Sussex Plan.

2. Proposal

- 2.1 There are eight projects in the current OPE Programme and a further three enabling projects. These are summarised below:

Name	Drayton Depot – combined Highways & Transport and Blue-light facilities
Programme	OPE/3Fire Integrated Transport Function (ITF)
Description	<p>To redevelop the current Highways depot at Drayton to provide the south-west spoke of the ITF Fleet Maintenance facilities, fleet maintenance facilities for West Sussex County Council and to re-provide office and operational facilities for WSCC Highways & Transport staff and contractors.</p> <p>It is proposed that the ITF element will be used to support 3 Fire and Rescue Services (West Sussex, East Sussex and Surrey), 2 Police Services (Surrey and Sussex) and South East Coast Ambulance Service, and contributes to meeting the duty to collaborate for all services in the Policing and Crime Act 2017.</p>
Funding allocation	<p>Revenue: funding for feasibility and project development will be jointly provided from 3Fire and West Sussex County Council funds.</p> <p>Capital: 3Fire has allocated £750k to this project from a Home Office capital grant.</p> <p>The County Council Highways & Transport has a capital allocation in the corporate capital programme for depot improvements.</p> <p>The Strategic Outline Business Case taken through officer governance within the County Council was approved.</p> <p>Capital costs of the project will be shared on a pro-rata basis among partners/occupiers depending on scale of use and occupation.</p>
Projected outcomes	<ul style="list-style-type: none"> • New facilities and accommodation for Highways functions

	<ul style="list-style-type: none"> • New collaborative blue-light maintenance facilities • Revenue savings for the County Council through vacating current leased premises • Revenue savings for emergency services through shared service delivery • Potential income generation from provision of services to external organisations
Status & Timeframe	Viability work has now been completed and is being reviewed. The next stage would be detailed feasibility. A strategic outline business case has been through officer governance for the demolition of 2 derelict cottages on the site.

Name	Hurst Road, Horsham
Programme	OPE
Description	<p>This project is led by Horsham District Council (HDC), and seeks the regeneration and redevelopment of a number of publicly-owned sites along Hurst Road, including Fire, Police and former Ambulance station, Royal Mail, LEP offices, and potentially the Horsham Magistrates Court, subject to Ministry of Justice consultation and decision.</p> <p>Viability work undertaken by Horsham District Council suggests that the combined sites could deliver 300+ new homes, a new hotel, and improved access to Horsham Park.</p> <p>The County Council leads on the linked project to relocate the Fire and Police Services from their current sites to an identified site on the A24 – more details below.</p>
Funding allocation	£60k OPE revenue support grant
Projected outcomes	<ul style="list-style-type: none"> • 300+ new homes • New hotel/hospitality provision • 60+ new jobs • Improved access and public realm
Status & Timeframe	Horsham District Council has undertaken viability work on the whole site. The timing of the regeneration is dependent on the progress of the blue-light relocations, and whether the Ministry of Justice's decides to include the Horsham Magistrates' Court.

Name	Blue-light operational and training centre, Highwood, Horsham
Programme	OPE

Description	<p>In order to support the regeneration aspirations for Hurst Road -a strategic site in the Vision for Horsham and the Growth Deal priority - Sussex Police and West Sussex Fire and Rescue Service (WSFRS) have been working to identify alternative sites for both the fire and police stations currently located on Hurst Road. These discussions have led to an agreement to explore the development of a combined centre, accommodating operational and training facilities for both services. This would support the duty to collaborate and support closer working arrangements.</p> <p>A County Council-owned site has been identified on the A24 at Highwood, and feasibility has now been completed. This feasibility demonstrates that the site is suitable for the proposed use and also confirmed that the site could accommodate a specialist blue-light training centre alongside the operational facilities, and could provide dedicated accommodation for the Technical Rescue Unit.</p> <p>Delivery of this scheme would also enable the release of current WSFRS sites at Horley and part of Worthing, as well as at Hurst Road.</p> <p>The potential for implementing innovative energy generation infrastructure at the site has also been explored. This could include wind and solar power, battery storage, and the potential to include charging points for electric vehicles to support the County Council’s sustainability priorities.</p>
Funding allocation	<p>£40k OPE revenue support grant £100k corporate feasibility fund £28k Business As Usual (BAU)</p>
Projected outcomes	<ul style="list-style-type: none"> • New combined blue-light operational and training centre • New dedicated facilities for Technical Rescue Unit • Release of existing sites at Hurst Road, Worthing (part) and Horley with associated capital receipts and/or redevelopment potential • Revenue savings through sharing of facilities and termination of existing training provision contracts • Income generation through provision of training to external organisations and through innovative energy generation infrastructure
Status & Timeframe	<p>Detailed feasibility has been completed. An Outline Business Case to support progression to detailed design and the development of a planning application is being prepared.</p> <p>A public consultation into the impact on fire emergency response was completed in September 2018, with over 60% of responses being positive.</p> <p>County Council Members for Horsham, Horsham District Council</p>

	Members and Jeremy Quin MP have all been briefed on the proposals.
--	--

Name	Blue-light satellite post, Blatchford Road, Horsham
Programme	OPE
Description	<p>A town centre satellite post for Fire & Rescue, Police and possibly Ambulance services is proposed to complement the new facilities at the A24 site. This would maintain facilities for on-call (retained) fire cover, and provide touch-down facilities for SECAMB, and potentially a front counter, office accommodation and interview facilities for Sussex Police.</p> <p>A potential site has been identified in central Horsham. This is owned by the County Council and is currently in use as a day centre provision, but has been identified under the Adults' Services service redesign programme as likely to become surplus to service requirements by 2021.</p> <p>There may also be an opportunity to release a portion of this site for redevelopment. The feasibility of this option is being explored.</p>
Funding allocation	To be confirmed
Projected outcomes	<ul style="list-style-type: none"> • New tri-service town centre post in Horsham • Improved emergency fire response to north east Horsham • Mitigation of impact of move of whole-time fire crews to A24 site • Mitigation of impact on retained crews from station move • Retention of town centre, public-facing police post • Potential capital receipt from disposal of surplus land.
Status & Timeframe	The scheme proposal has been through Fire and Rescue Service governance to confirm its operational suitability. Feasibility is now being undertaken on the site.

Name	Maltravers/Fitzalan Road, Littlehampton
Programme	OPE
Description	Redevelopment of current fire station, library, Baptist Church and former hospital sites to provide new facilities for community-based public services (community hubs, adults' and children's social care, health, etc.) and new housing.
Funding allocation	This project has been awarded a share of the £80k revenue support funding for the two linked projects in Littlehampton.
Projected outcomes	<ul style="list-style-type: none"> • New "hub " for co-located public services, to include community health, library and children and families centre,

	<p>adult day centre, information and advice services, hot desk office space for the County Council, District and partners' staff.</p> <ul style="list-style-type: none"> Up to 100 new homes
Status & Timeframe	<p>Initial feasibility and master-planning were undertaken last year, which demonstrated the overall viability of the site.</p> <p>Detailed feasibility is now underway, alongside the work being done to progress the relocation of the fire station to a new tri-service centre at East Street. A project team has been established, which includes representatives from Arun DC, Coastal West Sussex CCG, County Council project and services staff, Sussex Partnership Foundation Trust, and the Local Community Network (GPs).</p>

Name	Littlehampton: new tri-service centre at East Street
Programme	OPE
Description	<p>In order to support the regeneration aspirations of Arun DC, Coastal West Sussex CCG and the County Council at Maltravers and Fitzalan Roads, WSFRS has agreed to re-locate the current Fire Station from Maltravers Road to a County Council-owned site at East Street. Sussex Police and SECAMB are already located at East Street, and therefore discussions have been held with both these blue-light partners to explore co-location opportunities. These discussions have led to an agreement to explore the development of a combined tri-service centre at this site.</p> <p>Initial viability was undertaken last year to assess the suitability of the site for emergency operational use. This work showed that there is adequate space and access to accommodate the tri-service facilities, and the potential to develop surplus land at the rear of the site for new housing.</p> <p>This development would therefore release both the existing fire station site and the surplus land at East Street for redevelopment.</p>
Funding allocation	<p>This project has been awarded a share of the £80k revenue support funding for the two linked projects in Littlehampton.</p> <p>£75k corporate feasibility funding</p> <p>£6m nominal capital allocation in the County Council's capital programme pipeline, subject to full business case approval.</p>
Projected Outcomes	<p>New blue-light facilities at East Street – new fire station, touch-down facilities for SECAMB, and potential for office and operational accommodation for Police</p> <p>Up to 60 new homes</p>
Status & Timeframe	<p>Detailed feasibility is now underway and is due to report in January 2019. Discussions continue with Sussex Police and SECAMB regarding their requirements.</p>

Name	The Brow, Burgess Hill
Programme	OPE
Description	<p>The proposed project at The Brow included the Fire, Police and Ambulance stations and a health centre owned by Mid-Sussex DC. Similarly to Littlehampton and Horsham above, the relocation of existing fire, police and ambulance stations are the enabling development to release the necessary land for the regeneration of The Brow already planned by Mid-Sussex DC. The overall scheme is intended to provide new housing, a new health centre and improved public realm.</p> <p>Potential has been identified to expand the regeneration with the proposed inclusion of additional sites in The Brow area. It is planned to include them in the Phase 7 OPE bid for some additional revenue support funding.</p>
Funding allocation	<p>This project has been awarded £40k in capacity support funding by Government.</p> <p>There is £10m allocated to Burgess Hill within the Growth Programme and some of this funding may be available to support The Brow's redevelopment.</p> <p>The Strategic Outline Business Case for the OPE blue-light scheme approved an indicative allocation of £6m for this scheme, subject to a full business case.</p>
Projected outcomes	<p>The original scheme was projected to deliver overall:</p> <ul style="list-style-type: none"> • New tri-service blue-light centre • c. £500k in reduced running costs over 10 year period • 240 new homes • c. £1m capital receipt across the public estate (to be further evaluated as project develops) <p>The additional sites could add a further 100 homes, and increase the overall value of the development for all partners.</p>
Status and Timeframe	<p>The County Council has completed viability into the provision of a joint blue-light centre and identified the preferred site as the current Police station site. Discussions are continuing into the use of the police site for wider blue-light use.</p> <p>Mid-Sussex DC has undertaken viability work into the overall redevelopment. However, with the addition of the two new sites, this will need to be revisited. It is hoped that the Phase 7 bid for additional revenue support will provide the funding needed to undertake a revised development appraisal to include the two new sites, the health centre, the fire station and the Ambulance station.</p>

Name	Crawley Town Centre
Programme	OPE/Growth
Description	<p>Regeneration of a number of sites across Crawley Town Centre, including the Town Hall, County Buildings and Centenary House, the Old Library, Crawley College campus site, Telford Place and Crawley Fire Station.</p> <p>This programme is a key element of the Crawley Growth Programme and is jointly led by the County Council and Crawley BC.</p>
Funding allocation	£155k OPE revenue support grant + partner contributions in kind
Projected outcomes	<ul style="list-style-type: none"> • c. 25,000 sq. m commercial/employment space • 800 new homes • New transport and infrastructure • Improved access and public realm • New community-based public services
Status & Timeframe	<p>Initial feasibility has been carried out at each site. Delivery across the Crawley programme will be agreed once all the feasibility investigations have been assessed. It is anticipated that the first tangible outcomes will be ready for occupation from 2021 onwards.</p> <p>The key site for the County Council is the County Buildings/Centenary House site. This is largely unoccupied, and a business case has been developed to progress the demolition of this site.</p>

Name	Crawley Fire Station
Programme	OPE
Description	Redevelopment of the current Crawley Fire Station on its existing site to provide modern, flexible facilities for FRS with new commercial office space or housing above.
Funding allocation	An additional £60k was awarded to the Crawley OPE project to include this scheme and the inclusion of the Crawley College site in the overall town centre regeneration programme.
Projected outcomes	At the fire station site, it is hoped that the proposed redevelopment could deliver the new fire station and up to 3000 sq. m of new commercial space, which would generate income, or up to 30 new flats. These outcomes are speculative at this stage, pending more detailed feasibility and options development.
Status and Timeframe	Initial feasibility has been carried out at the fire station site. It has been agreed with Crawley BC that the County Council will take this project forward as a stand-alone scheme, given its location and need to maintain operational functions.

	It is proposed to commission detailed feasibility for this site early in 2019.
--	--

Name	Pond Road, Shoreham
Programme	OPE
Description	<p>Redevelopment of current Library, Health Centre and vacant care home to provide new community-based public service facilities (health, library, children's and adults' services, neighbourhood policing etc.), and new housing and/or commercial space.</p> <p>The project is being developed in conjunction with the Adur DC-owned community centre located opposite, and will include highways and public realm improvements in keeping with the conservation area.</p>
Funding allocation	<p>£20k OPE grant</p> <p>£35k corporate feasibility fund (project development)</p>
Projected outcomes	<ul style="list-style-type: none"> • New Community Hub, including library and children and families centre, and facilities for adults' services day centre services • New health centre provision (GPs and mental health services) • Office space for public sector staff • New housing on surplus land • Improved access and public realm through pedestrianisation and links with high street • Potential capital receipts from disposals of current buildings which would become surplus
Status & Timeframe	<p>A detailed feasibility study is underway with a report due in January 2019. This will inform the decision whether to move to outline design and planning, with a view to progressing to full business case in late 2019. We are working closely with health, Communities and District colleagues to define and refine the scope of works.</p> <p>A Strategic Outline business case was approved in May 2018 to undertake feasibility into the demolition of the Burrscliffe Care Home in advance of the main scheme. Quotes have now been received to undertake this early phase, and a business case for the procurement of a contractor is due for consideration in November 2018.</p>

Name	Centenary House, Durrington
Programme	OPE
Description	Redevelopment of 3HA site currently accommodating the County Council and Police office buildings to provide new community-

	<p>based public service facilities (health, library, children's and adults' services, Coroner's and Registrars etc.), and release significant land for new housing and/or commercial space.</p> <p>There is the potential for the Durrington Health Centre to relocate into the "hub", releasing further public sector land close by.</p> <p>Sussex Police are a key stakeholder as they own 40% of the value of the site. The Police Custody Suite on the site is subject to a PFI contract and does not form part of these proposals. Sussex Police are considering their options for future operational use of the site.</p>
Funding allocation	<p>£50k OPE revenue support grant</p> <p>£150k corporate feasibility funding</p>
Projected outcomes	<ul style="list-style-type: none"> • New Community Hub, including a library and children and families centre • New health centre provision (GPs and mental health services) • New adult day care provision • Coroner's Court • Space for Registrars and Ceremonies • New Police station and office accommodation • Community facilities • Office space for public sector staff • New housing on surplus land • New commercial/retail • Improved access and public realm
Status & Timeframe	<p>A development appraisal, viability assessment and the initial feasibility work are scheduled to be completed in February 2019.</p> <p>Discussions are taking place with Sussex Police about rationalising the ownership arrangements for the site, which may inform how the project is progressed.</p>

3. Resources

- 3.1 The County Council is the lead authority and accountable body for the OPE programme, and hosts a Programme Manager post to provide overall management and support for the Partnership.
- 3.2 The Programme has been awarded £640k in revenue support funding by Government to support project development. This funding is earmarked for specific projects.

- 3.3 Projects led by the County Council are also supported by allocations from corporate feasibility funding, approved through the Council's capital governance processes.
- 3.4 Projects led by partners are funded from their own resources.
- 3.5 There is an expectation, included in the Terms of Reference for the OPE Partnership Board, that where projects involve several partners, each partner will fund their own element of the project.
- 3.6 There is an expectation that as far as possible, projects will generate sufficient capital receipts, revenue savings and/or income to cover their own costs.

4. Issues for consideration by the Select Committee

- 4.1 The Select Committee is asked to review and comment on the programme update and make any recommendations to the Cabinet Member.

5. Consultation

- 5.1 All projects will be subject to individual consultation as appropriate.

6. Risk Management Implications

- 6.1 OPE Programme-level risks are managed collectively by the OPE Partnership Board. Individual projects each have their own risk management frameworks, managed by the appropriate project team and reported through the relevant governance route for that project.

7. Other Options Considered

- 7.1 All projects are currently in early development stages, with options being developed and considered.

8. Equality Duty

- 8.1 Not applicable as this is a general update report. Equality duties will be considered as part of individual projects as they progress.

9. Social Value

- 9.1 The Programme as a whole aims to deliver significant economic growth, place-making, housing and service improvement outcomes alongside financial benefits for all partners. The Programme will contribute to meeting all 5 of the West Sussex Plan priorities. Procurement undertaken under the Programme will ensure inclusion of locally beneficial elements, such as the use of local businesses, establishment of training and apprenticeship opportunities for local people, and the use of local labour force to deliver schemes.

10. Crime and Disorder Implications

10.1 Not applicable as this is a general update report.

11. Human Rights Implications

11.1 Not applicable as this is a general update report.

Lee Harris

Executive Director Economy,
Infrastructure and Environment

Contact: Miranda Shawcross, Programme Manager, 033 022 25829

Background Papers

None